Ecosystem Restoration Subcommittee Meeting
April 20, 2006
650 Capitol Mall, 5th Floor, Delta Room
Sacramento, CA
Meeting Summary

Subcommittee members (or their alternates) and agency liaisons present:

Gary Bobker (TBI)
Serge Birk (CVPWA)
Frances Brewster (SCVWD)
Melanie Emanuel (SWRCB)
Glenn Farrell (FWA)
Justin Fredrickson (CFBF)
Marianne Guerin (CCWD)
Roger Guinee (USFWS)
Dave Harlow (USFWS)
Diana Jacobs (CDFG)
Joe Miyamoto (EBMUD)
Lowell Ploss (SJRGA)
Anthony Saracino (TNC)
Rick Sitts (MWDSC)
Bernice Sullivan (Friant WUA)
Kane Totzke (KCWA)

Agency liaisons and others present:

Helen Birss (CDFG)
Jeannie Blakeslee (DOC)
Marina Brand (CDFG)
Laurie Briden (CDFG)
Melissa Helton, USFWS
Terry Roscoe (CDFG)
Dave Zezulak (CDFG)

Action Items

1. Subcommittee members to submit focus topic suggestions to Gary Bobker for consideration for future ER Subcommittee meetings.

2. Terry Roscoe will distribute a list of current ER Subcommittee members to Dave Harlow.

Welcome and Introductions

The meeting began with introductions.

Dave Harlow requested a list of current ER Subcommittee members.

Bernice Sullivan announced that she is resigning from the Subcommittee, and introduced Glenn Farrell, who will replace her.

Terry Roscoe with DFG was introduced as the liaison supporting the ER Subcommittee replacing Nancy Ullrey.

Subcommittee Status

This is the first meeting of this subcommittee since January 2005.

The summary of the previous meeting was reviewed and approved.

Refocusing CALFED

Highlights of the 10-Year Action Plan have been released. It provides key approaches to how governance of CALFED should progress. The Secretary for Resources, Mike Chrisman, is the state lead and Jesse Cotier is the federal lead for CALFED.

CBDA exists as a result of California legislative action, and will continue to exist as an entity until the end of 2006. The Legislature could dismantle it as early as January 2007. CBDA will become a part of the Resources Agency.

This presentation notes highlights of changes in CBDA. Rhonda noted that this is the time for stakeholders to evaluate whether the proposed changes will fill their needs.

Governance

Three new governing bodies will be established: (1) the Leadership Council that will include stakeholders and agency representatives, (2) a Public Advisory Committee, and (3) an Agency Operating Council that will be composed of agency representatives.

The 10-Year Action Plan determined that the Authority governing body be removed, and that oversight be replaced with periodic independent review. Gary noted that while the Public Advisory Committee will continue to provide transparency, no adequate oversight process or body has been delineated.

Functions of CBDA

CBDA now encompasses five functions: strategic planning, science, program performance and tracking, communications, and administration. CBDA no longer provides oversight.

Gary noted that because CBDA staff will continue to work for CBDA through the end of 2006, but staff will be transferred to the Resources Agency, it is unclear how oversight and implementing responsibilities will be distributed. CBDA staff must understand whether they belong to an administrative or an oversight body.

CBDA Staff Reorganization

Two divisions will be eliminated from CBDA: ERP and Water Management. Two divisions will be created: Strategic Planning and Program Performance and Tracking. CBDA will have a greater role in strategic planning than in the past.

Both CBDA and implementing agencies will track performance. ERP implementing agencies (USFWS, CDFG, NMFS) are developing a common system to track projects from all three agencies. Currently, data from USFWS is being transitioned into the database. This database will hold information on projects funded by ERP last year.

CBDA staff will be reassigned. Grant management will be transferred to CDFG. For example, CDFG will assume all responsibility for ERP grants by July 2006.

Grants

In September 2005, ERP issued a PSP for integrating environmental restoration into agricultural activities. Proposals are currently in the review process. Within the next few months, the selection panel will forward its recommendations to CDFG. CDFG will, attendant to these recommendations, be transitioning into its role as implementer of ERP grants.

Contacts and Overview

A list of new contacts for the various functions must be developed. A consortium will have the “big picture” view.

End of Stage One Decisions

Stage 1 is the first seven years after signing of the ROD. We are now approaching the end of Year 6. Stage 1 is a planning phase for conveyance and water issues, Delta risk management studies, species conservation questions, and Basin Plan amendments. At the end of Stage 1, a decision is expected regarding actions that will require compliance with NEPA and CEQA before implementation. (An example. of a decision requiring environmental documentation would be a change in conveyance.) Any decision should balance human and environmental needs, based on good science. Adaptive management will be part of any future work. Additionally, continuation of EWA will be determined at the end of Stage 1.

Gary noted that given new knowledge about climate change, assumptions in the ROD might need to be revisited.

Gary noted that while the Delta habitat must be elevated in priority because of its vulnerability, it is important not to segregate the Delta from the larger context. Serge expressed concern that the progress made in larger watersheds, such as Clear Creek or Battle Creek, not be lost in possible future emphasis on the Delta. Without official backing, groups that work in these areas could suffer. It is

important to take the opportunity for long-term assessment. CDFG will have responsibility for these decisions and will continue to use a landscape approach to environmental management.

Gary noted that the Delta habitat will change dramatically over the next 50–100 years. Strategies for the environment will probably need to include refugia—providing a Delta environment where there might no longer be a Delta environment.

HCP/NCCP Update (Cindy Darling)

In April 2006, an MOU for an HCP/NCCP was signed. This HCP/NCCP will provide regulatory certainty for projects over the life of the HCP/NCCP that conform to the HCP/NCCP requirements. Processes considered under the HCP/NCCP will presumably include activities entailed by decisions at the end of Stage 1.

An HCP, with its improvement of regulatory climate (among other things, allowing for coordination of Section 7 activities), provides this. It might also increase efficiency.

The NCCP Act requires a Planning Agreement to be drawn up, which will take about a year. After it is signed, the HCP/NCCP will be developed by the CDFG, USFWS, NMFS, permitees and stakeholders.

Benefits of an HCP/NCCP, in addition to the increased regulatory certainly, are improved protection for covered species and increased support for conservation measures. The involvement by stakeholders in the process increases their support.

This HCP/NCCP increases certainty in that the HCP/NCCP standard for covered species protection is higher than the standard for avoiding jeopardy. A programmatic NCCP which does not permit take exists for the CALFED ROD. This HCP/NCCP will permit take and will provide a shield against jeopardy.

The more water diverters involved in this HCP/NCCP process, the more funders there will be to support it. However, this also complicates the issues, which includes diversion, waste discharge requirements, and levee repairs and maintenance. A tension exists between adaptive management and regulatory certainty. It is difficult to grant complete certainty because the understanding of impacts changes over time.

There are $30 million in new user contributions. Six million dollars have been allocated to the HCP/NCCP. These funds will cover technical work, GIS, planning activities including science. Governor Schwarzenegger has requested additional $3 million in federal funds for the HCP and an additional $1 million for the Delta Vision.

It is not yet established how much of the HCP/NCCP will be developed internally or by a consultant.

Review of Environmental Water Assets and How to Secure Them

Overview (Dave Harlow/Roger Guinee)

The four environmental water programs mentioned in the CALFED ROD are the following:

1. EWA.
2. EWP.
3. (b)(2).
4. (b)(3) (or WAP).

(B)(2) water is a CVPIA program that dedicates and manages 800,000 acre-feet annually of CVP water for the primary purpose of fish, wildlife, and habitat restoration; to assist meeting the WQCP, and to help meet post-1992 ESA obligations. Typical actions are to augment flows in CVP-controlled streams and to protect and improve habitat conditions in the Delta. Target species include winter-run Chinook, spring-run Chinook, steelhead, and Delta smelt. (B)(2) water has allowed decreased pumping and assisted with Delta outflow requirements.

(B)(3) water is a CVPIA program intended to acquire water to supplement (b)(2) water for fish and to acquire water for wildlife refuges and instream flow augmentation (to contribute to the AFRP flow objectives). Typical actions are acquisition of water for wildlife refuges in the Sacramento and San Joaquin valleys and payment for foregone power generation to augment stream flows on Battle Creek, and the Stanislaus, Tuolumne, Merced, and lower San Joaquin rivers to benefit target species of fish.

EWA is a cooperative CALFED program that provides protection to the fish of the Bay-Delta estuary beyond the regulatory baseline, through environmentally beneficial changes in SWP/CVP operations at no uncompensated water cost to the project's water users. The majority of actions have been export reductions to protect listed salmonids and Delta smelt. A few actions have augmented stream flows or improve instream water temperatures. Most actions have been taken December through June.

EWP is an element of the ERP that focuses on acquiring water from willing sellers on tributary streams to the Sacramento and San Joaquin systems, to assist in carrying out the flow-regulated goals of the ERP. Objectives were to improve salmon spawning and juvenile survival, restore critical instream and channel-forming flows, and provide flows and habitat for fish protection and recovery. Permanent water was the intent. The program is nearing the end of its funding. Clear Creek is still fully funded; some work is still done on the Tuolumne River.

In summary, (B)(2) focuses upstream and on the Delta. (B)(3) focuses on San Joaquin tributaries in support of the San Joaquin River Agreement. The EWA focuses on larger systems, principally the Delta. EWP focuses on smaller streams with at-risk species, and tries to "fill out" the coverage of environmental water programs.

The CALFED ROD defined Tier 1 water assets as (b)(2), (b)(3), biological opinions, and the 1995 Delta Water Quality Control Plan. Tier 2 programs were the programs put in place by the Conservation Agreement to provide regulatory commitments not to reduce water without compensation south of the Delta (namely, EWA and EWP). Funding for the Tier 2 programs was for four years. The UOP Principles Group funded these through the end of Stage 1. Decisions with respect to future funding of EWA and EWP are needed; these may involve a "bridging agreement."

Discussion

Performance Metrics and Environmental Water Decisions

Making water management decision and evaluating the effect of water management decisions on the environment are both limited by (1) the continuing lack of adequate scientific knowledge and (2) relative lack of experimental programs to establish performance metrics and monitoring programs and procedures. However, evidence suggests that environmental water for targeted fish is inadequate to protect or restore their populations.

The EWA Science Panel has determined that too few data exist to establish definitely whether EWA is making a difference in fish populations, but available data suggest that EWA does not have access to enough water to benefit fish. The Bay Institute's reports on environmental water with respect to objectives for flow and quantity needed for habitat restoration, and amount needed for species life-history purposes, as well as the Environmental Defense Fund's report *Finding the Water*, note that in many places minimum water requirements for habitat are not being met.

The CALFED ROD specified that water would be made available for environmental purposes. A decision regarding EWA must be made soon in order for environmental documentation to be complete in 20 months. It is hoped that EWA decisions could be based on scientific basis rather than a political deal, and thus a solid, defensible decision.

Decisions about environmental water assets should consider the next 30–40 years or more, the same planning horizon as other water planners, to ensure that environmental water assets are durable.

The EWA Science Review Panel discussion of performance measures included three metrics:

1. Was EWA implemented? Yes.

2. Did EWA improve the way agencies worked together? Yes.

3. What are the population benefits of EWA actions? Unclear.

Metrics are needed. Information needed to support water management decisions and predict outcome of include the following.

- Current population estimates, including both populations that are thriving and those that are not. NOTE: POD (pelagic organism decline) is yielding useful information.

- Understanding of limiting factors.

- Determinations of whether actions have created geomorphic attributes and functions that work.

It is also essential to evaluate whether management actions help achieve desired performance according to these metrics.

The Science Program needs to be revitalized, and a formal adaptive management regime adopted, including performance metrics and a process to monitor in ways that produce useful information. The Science Program emphasized that tools such as the EWA should be used experimentally rather than as a reactive management tool. This is critical to improved understanding of the system and metrics that assess its performance. NOTE: IEP has a lot of data about flow, exports, relationship with fish populations, entrainment, and POD, due to its active monitoring program. NOTE: The VAMP program, currently in Year 7, has been both inexpensive and effective in producing information based on scientific experimentation. A summary report will be produced after Year 10. IEP and VAMP could be used as sources for ideas to redesign EWA.

<u>Environmental Water Acquisition</u>

Future emphasis on environmental water must include how to acquire more environmental assets, and how to be more effective in acquisitions of instream flows. Possible sources include the following.

- Several organizations have identified opportunities for reservoir re-operation ([b][1] water), which could provide environmental water at no cost.

- The (b)(3) agreement to buy water for the San Joaquin River agreement, adaptive management, and so forth will expire in a few years. Water that is currently used for this agreement will no longer be diverted, and thus will flow

down the river at the same time that VAMP water is currently needed. Funds currently used for VAMP could be used to meet needs in other streams. This could fulfill the original intention of EWP.

- The federal government is in the process of identifying long-term solutions to meet drainage obligations under the San Luis Act. Resulting decisions could be used to meet CALFED objectives.

Climate Change and Water Storage

Climate change may include more large-scale weather events, such as the recent wet years. For instance, more winter runoff is expected. In this context, it is important to rethink how the water supply and management system is operated. The "spilled" water should be captured. How can this be done? There may be opportunities for transient storage of water, recharging groundwater, traditional facilities (existing or future), and banking of CVPIA water.

Ecosystem Restoration Subcommittee's Role in Securing Environmental Water Assets

The EWA does not have its own Subcommittee; instead, it is discussed in the context of the Ecosystem Restoration Subcommittee. If this Subcommittee is to consider how to re-envision the EWA, DWR and the U.S. Bureau of Reclamation must be involved. This issue might be most effectively discussed in a hybrid forum of the Ecosystem Restoration Subcommittee, water supply specialists, and biologists. The Subcommittee offers the advantage that it is a stakeholder forum, not purely an agency group. A stakeholder/agency discussion is possible here.

A possible approach for EWA redesign would be to substitute expert decision-making risk analysis for the original gaming approach.

One important role for the Subcommittee is to support a "son of CMARP"-type effort to encourage monitoring. Because IEP had a strong monitoring program when POD was identified, they were able to respond quickly. A strong monitoring program is necessary for adaptive management.

Future of Subcommittee Roles, Actions, and Meetings

The Ecosystem Restoration Subcommittee is not a technical group or a technical advisory group. Rather, the Subcommittee is in a position to provide recommendations and guidance, using their broad-based knowledge and experience.

These recommendations and guidance could stem from brainstorming about pertinent questions. The Subcommittee should, perhaps, develop a list of suggested focus questions that the Subcommittee can begin to address, both internally and in joint meetings with other subcommittees. The Subcommittee invites members and attendees to articulate those questions. The expertise of

the stakeholders together with expertise of agency staff from different types of agencies should provide the background for insightful discussion.

Sample issues that are appropriate for this Subcommittee:

- Given imperfect knowledge, are there tools (decision models) that would improve the performance of environmental water?
- What direction should current and future work take in developing some of these frameworks and models that would be useful for understanding and managing future system performance?
- Are there relatively short-term sources of environmental water available, such as reservoir re-operation?
- What environmental water needs are likely? Future environmental water needs might be driven less by changes in biological factors and more by changes in availability of water over time due, for instance, to diminished snowpack and greater winter run-off.
- What implications do the effects of climate change have for water assets? How should assets be acquired and allocated under these changed conditions?
- How could integration between various CALFED programs be improved?
- Which storage projects should be pursued? Should that question be addressed only in the Water Supply Subcommittee, or also in the Ecosystem Restoration Subcommittee?
- What should be done about the levees? Should that question be addressed only in the Water Supply Subcommittee, or also in the Ecosystem Restoration Subcommittee?

Gary requested that suggestions for focus topics be sent to him for compilation.

It was noted that discussion should focus not only on adverse impacts of future events and conditions, but also benefits.

It is likely that new coalitions between, for instance, environmental groups and agriculture interests, might become advantageous in future conditions. They could address, for instance, alternative storage projects such as transient water storage in floodplains.

While the Subcommittee will not perform technical studies, it can help accomplish them by helping pose the questions, making sure that the whole range of appropriate communication is met (are the water supply theorists talking

with water operators?), and providing accountability on responses to unmet needs.

Science Boards and Science Panels

The previous Lead Scientist Johnnie Moore suggested that this be the only standing science board, and that strategic advisory boards be convened for special topics. The Science Program is reconstituting the Independent Science Board (ISB). It was established under state, so it is subject to the Open Meeting Act. The Ecosystem Restoration Program Science Board (ERPSB) and the Water Management Science Board ceased to meet in mid-2005 because of contracting issues. Rhonda noted that existing contractual agreements would make it possible to bring former science board members back. Science Panels are continuing to convene.

Several Subcommittee members stressed that the ERPSB served an important role. Rhonda noted that as the ERPSB neared the end of its contract in mid-2005, several white papers were produced.

ERP Program Plan

Implementing agencies (USFWS, CDFG, NMFS) are working together to prepare the annual workplan. Last year's workplan, which was based on the 100+ projects that would achieve priorities before the end of Stage 1, was not approved because of a funding shortfall. (Last year's workplan is available on the CALFED website, ERP element, Year 6 Program Plan.) This year's workplan, due out in May 2006, will have the same objective as last year's—to list projects that would achieve priorities (actions for the MSCS)—but will be confirmed after the budget situation is clear.

(Only projects that are "ready to go" and have environmental documents in place will be funded.) About $150 million is available. Some of these funds are from sources that have specific requirements for type of projects, such as Proposition 50 and Proposition 13 funds.

EWA Program Plan (Geimer)

EWA's main accomplishment since fall 2001 is changing SWP and CVP operations for fishery benefits without impacting those projects' water supply. There will be a Science Panel review in fall 2006. There was no review in fall 2005, according to Science Panel recommendations to review EWA every two years rather than annually. However, a two-day EWA workshop was held in place of the review in 2005. The EWA long-term EIS/EIR is scheduled to be done by December 2007.

The main issues facing EWA are funding and coordination with other programs whose environmental documents are being developed at the same time as the

EWA EIS/EIR. EWA plans to reappropriate Proposition 50 funds, which will take the program through 2007. No funding is identified past 2007 for EWA.

EWA implementing agencies are coordinating efforts to maximize consistency among the environmental documents of the Sacramento Valley Water Management, Yuba Accord, South Delta Improvement, and EWA programs.

Next Meetings

The next meeting for the Ecosystem Restoration Subcommittee is 9 a.m. to 1 p.m. on Wednesday, May 31, 2006. Agenda items include program plan review and one focused topic. Ecosystem Restoration Subcommittee members were requested to submit recommendations for the topic.

Public Comments

The next CVP Restoration Roundtable will take place May 18; all are invited. One topic will be CVPIA program activity review. Bernice was requested to forward that announcement to the Ecosystem Restoration Subcommittee.